

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 3271 – HB 3731

February 15, 2012

**SUMMARY OF BILL:** Decreases, from five to two years, the minimum professional experience required for an emerging investment manager, for which the Board of Trustees directs to invest assets of the Tennessee Consolidated Retirement System (TCRS). Redefines “emerging investment manager” to include Tennessee-based businesses.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – Potential increase in management costs for the Tennessee Consolidated Retirement System if more staff time is needed to monitor the management of each asset class being managed by lesser experienced professionals. Otherwise, the fiscal impact is not significant.**

Assumptions:

- According to TCRS, if this bill leads to an increased number of lesser experienced professionals managing TCRS assets, more internal investment staff time would be needed to monitor the management of each asset class being managed by such individuals.
- Enactment of this bill will not increase the pension liability of TCRS.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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